




Introduction

Information for *Tennessee Hospital Data* was obtained from summary tabulations of the **Joint Annual Report of Hospitals** (JAR-H). Individual reports are completed each year by the licensed hospitals in Tennessee and returned to the Office of Health Statistics and Research for compilation and review. While the compiled JAR-H of all licensed hospitals is quite detailed, data summarized for this report focuses on trends and changes in short-term nonfederal (acute care) or general/specialty hospital utilization and finance.

March 2001

Beginning in 1996, Tennessee hospitals were required to file a separate survey report on each individual hospital, even if it was a satellite hospital. In previous reporting periods, hospital systems containing more than one hospital could submit a single report for the whole system. This change in reporting protocol was needed to provide more specific information regarding hospital resources.

The number of general/specialty hospitals steadily declined from 1990 to 1995. The 1996 change in separate reporting by satellite hospitals resulted in the appearance of an increase in the number of general/specialty hospitals from 124 in 1995. The 1996 and 1997 number of Tennessee general/specialty hospitals actually remained the same as the number in 1995, because the totals of 133 included satellite hospitals which did not previously submit reports. In 1998, the number of general/specialty hospitals and mental health hospitals decreased, and these numbers remained the same for 1999. The number of federal hospitals remained fairly constant, while the number of other long-term hospitals increased over the period of 1990-1999.

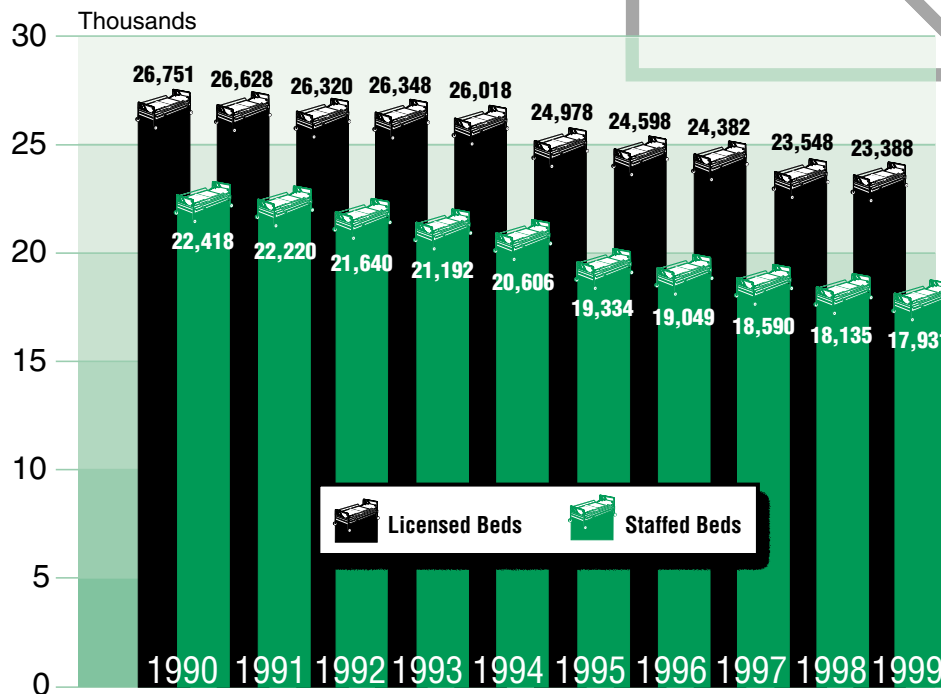
 Number of Licensed Hospitals By Type, Tennessee, 1990-1999					
Year	General/Specialty	Mental Health	Federal	Other Long Term	Total
1999	130*	15	5	16	166
1998	130*	15	5	15	165
1997	133*	16	5	13	167
1996	133*	16	6	11	166
1995	124	16	6	11	157
1994	127	16	6	9	158
1993	130	16	6	7	159
1992	134	16	6	5	161
1991	137	16	6	5	164
1990	138	16	6	3	163
*Number includes satellite hospitals.					



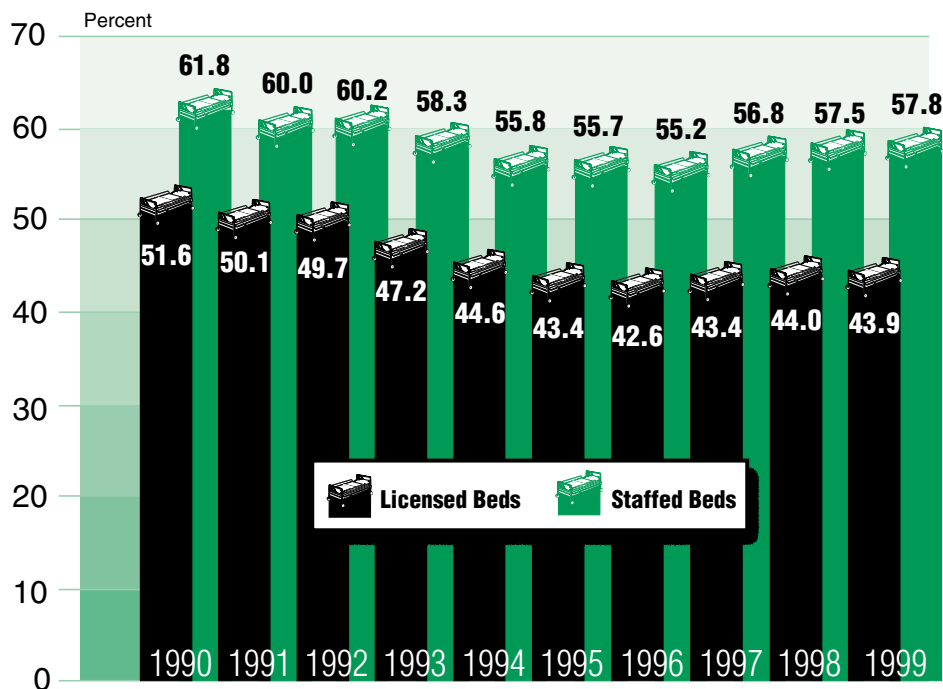
The number of both licensed and staffed beds for short-term nonfederal hospitals decreased from 1990 to 1999. In 1990, there were 26,751 licensed beds for short-term nonfederal hospitals, but this number dropped 12.6 percent to 23,388 in 1999. The number of staffed beds declined 20.0 percent from 22,418 in 1990 to 17,931 in 1999.

Licensed beds - The maximum number of beds authorized by the state licensing agency or regulated by a federal agency. This figure is broken down into adult and pediatric beds and licensed bassinets (neonatal intensive or intermediate care bassinets). **Staffed beds** - The total number of adult and pediatric beds set up, staffed, and in use at the end of the reporting period. This number should be less than or equal to the number of licensed beds.

Number of Licensed and Staffed Beds Short-Term Nonfederal Hospitals, Tennessee, 1990-1999



Percent Occupancy for Licensed and Staffed Beds Short-Term Nonfederal Hospitals, Tennessee, 1990-1999



Percent occupancy for Tennessee short-term or general/specialty hospitals based on licensed beds in 1999 was 43.9 and based on staffed beds was 57.8. Occupancy rates declined from 1990 to 1996, but began increasing in 1997 for staffed beds. Utilization of inpatient resources has dropped to a point where many licensed beds are not being staffed, and those that are staffed are being underused. In 1999, only 76.7 percent of licensed beds were being staffed.



Tennessee JAR-H data includes admissions, inpatient days, discharges, and discharge patient days. Admissions are the number of adult and pediatric patients (excluding newborns) admitted to the facility during the reporting period. Inpatient days are the number of adult and pediatric days of care rendered during the entire reporting period. Discharges are the number of adult and pediatric discharges (excluding newborns) plus all deaths. Discharge patient days are the total number of days of care rendered to patients discharged during the reporting period (including days of care rendered prior to the beginning of the reporting period). This figure excludes newborns, but includes neonates, patients in swing beds, and deaths. The number of admissions or discharges and inpatient/discharge days reported for Tennessee's general/specialty hospitals decreased from 1990 to 1999.

The average daily census is the average number of patients in a facility on any day of the reporting calendar year. The average length of stay is the average number of days of service rendered to each inpatient before discharge from a facility during a given period (usually a calendar year). The average daily census for general/specialty hospitals declined from 1990 to 1999. The average length of stay also shows a declining trend from 1990 to 1999.

Financial data for the period 1990-1999 shows that the total operating cost for general/specialty hospitals increased from \$4,509,681,980 to \$7,157,691,018. The cost per adjusted patient day increased from \$709.14 to \$1,210.44, and total net revenue increased from \$4,764,913,883 to \$7,303,644,793 for the same period.

Number of Admissions or Discharges and Inpatient/Discharge Days

Tennessee Short-Term Nonfederal Hospitals 1990-1999		
	Admissions or Discharges	Inpatient/Discharge Days
Year		
1999	737,998	3,737,736
1998	731,622	3,754,897
1997	743,033	3,855,565
1996	743,840	3,858,025
1995	745,925	3,962,756
1994	733,958	4,214,597
1993	743,147	4,504,973
1992	758,264	4,759,988
1991	767,961	4,872,876
1990	788,209	5,040,474

Average Daily Census and Average Length of Stay

Tennessee Short-Term Nonfederal Hospitals 1990-1999		
	Average Daily Census	Average Length of Stay
Year		
1999	10,240	5.1
1998	10,287	5.1
1997	10,563	5.2
1996	10,570	5.2
1995	10,857	5.3
1994	11,547	5.7
1993	12,342	6.1
1992	13,005	6.3
1991	13,350	6.3
1990	13,810	6.4

Selected Financial Data

Tennessee Short-Term Nonfederal Hospitals 1990-1999			
	Total Operating Cost	Cost Per Adjusted Patient Day	Total Net Revenue
Year			
1999	\$7,157,691,018	\$1,210.44	\$7,303,644,793
1998	\$6,834,065,402	\$1,171.00	\$6,956,876,228
1997	\$6,555,087,158	\$1,120.00	\$6,991,067,220
1996	\$6,237,863,929	\$1,095.91	\$6,545,922,079
1995	\$5,983,685,899	\$1,060.59	\$6,334,913,216
1994	\$5,870,059,616	\$1,006.33	\$6,102,158,632
1993	\$5,819,326,284	\$ 965.31	\$6,029,618,779
1992	\$5,385,158,895	\$ 860.59	\$5,672,327,901
1991	\$4,922,148,303	\$ 786.14	\$5,194,313,145
1990	\$4,509,681,980	\$ 709.14	\$4,764,913,883

Operating cost - The monetary expense related to running a facility.

Adjusted patient day - An adjustment of inpatient days to allow production of a measure of gross revenue as a ratio to patient care. Gross patient revenue includes inpatient revenue as well as outpatient and newborn revenue. In order for patient day information to be realistically related to gross revenue, inpatient days are adjusted by applying the ratio of gross revenue to inpatient revenue to the reported inpatient days. This is calculated by multiplying inpatient days by gross patient revenue divided by inpatient revenue.

Net patient revenue - Total gross patient charges minus adjustments to charges.



Hospitals continue to derive a greater portion of their income from outpatient sources. Of the hospitals reporting in 1990, 79.3 percent of net patient revenue came from inpatient sources and 20.7 percent came from outpatient sources. In 1996, these percentages had shifted to 67.4 percent inpatient and 32.6 percent outpatient sources; in 1997, to 66.1 percent inpatient and 33.9 percent outpatient; and in 1998, to 64.5 percent inpatient and 35.5 percent outpatient. For 1999, these percentages further shifted to 63.3 percent and 36.8 percent, respectively. It should be noted that in 1999, net patient revenue from governmental sources constituted 51.2 percent of total net patient revenue compared to 54.0 percent in 1998, 55.0 percent in 1997, and 53.4 percent in 1996. Equivalent calculations for 1990 data indicate that the percent of net patient revenue from government sources was 46.7. Thus net patient revenue from government sources appears to have increased to the point where it is now the major source of revenue for hospitals in Tennessee.

In general, it appears that recent emphasis on controlling Tennessee hospital inpatient utilization through managed care programs seems to be having a noticeable and measurable effect on Tennessee hospital statistical data. Hospital utilization indicators have shown a substantial decrease for the most recent time period. This is in spite of the fact that hospital costs have been increasing over this same time period. Utilization and revenue have accordingly

been shifting from inpatient to outpatient sources.

More detailed data on Tennessee hospital statistics and on individual hospitals may be obtained from the Tennessee Department of Health, Office of Health Statistics and Research or by visiting our website at the address below.

Please visit the Health Statistics and Research and Health Information Tennessee (HIT) pages at the **Programs and Services** site on the Tennessee Department of Health website <http://www.state.tn.us/health>

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